

Governor Carney Signs Resolution Urging FERC to Accept Fair Cost Allocation for Artificial Island Project

Current funding plan would raise electric rates, unfairly burden Delaware's residential and business ratepayers

DOVER, Del. – Governor John Carney on Thursday signed [Senate Joint Resolution 2](#), which urges the Federal Energy Regulatory Commission (FERC) to accept either of PJM's alternative cost allocation methodologies for funding the Artificial Island transmission line project as [recommended by Governor Carney and Maryland Governor Larry Hogan](#).

The bipartisan resolution was sponsored by Senator Harris McDowell, and co-sponsored by Senator Cathy Cloutier, Representative Trey Paradee and Representative Kevin Hensley.



Governor Carney signs SJR 2.

As currently funded, Delmarva Peninsula ratepayers would fund more than 90 percent of the cost of the project through higher electric bills, while receiving few direct benefits. Under PJM's alternative methods for cost allocation, Delmarva ratepayers would fund approximately 7-10 percent of the

project costs.

“We’re hopeful that the Federal Energy Regulatory Commission will seriously consider PJM’s proposed alternative financing for the Artificial Island project, and we’re optimistic that would not unjustly burden electric ratepayers on Delmarva,” said **Governor Carney**. “As we’ve said before, Delawareans and Delaware businesses should not be forced to finance this project through higher monthly electric bills, while receiving little in the way of a direct benefit. This resolution reinforces our commitment to work together on behalf of Delawareans.”

“As the smallest state at the table, we knew this was an uphill fight from the outset,” said **Senator McDowell, Regional Legislative Electric Transmission Cost Equity Committee Co-chair**. “But after months of tireless work—not only in our committee, but across a united front of public officials and consumer advocates—PJM agreed to go back to the drawing board in good faith. What they’ve returned with is a pair of win-win-win alternatives that achieve stability in the region’s power grid at a fair cost to Delaware and its residents. I’m grateful for their willingness to hear us out and to work with us; now it’s incumbent upon the FERC to honor these fair-minded compromises and protect consumers across the region by accepting one of these alternatives.”

“I firmly stand with the governors of Maryland and Delaware in strongly urging FERC to choose one of the PJM alternative methodologies for allocating the cost of the Artificial Island project. I can’t go to the store and expect a stranger in another aisle to pick up the cost of my groceries, I don’t think FERC should expect Delmarva Zone customers to take on the lion’s share of the cost for a project that would give them very little benefit,” said **Senator Cloutier**.



Governor Carney, Senator Margaret Rose Henry, Representative Trey Paradee and Representative Kevin Hensley after Governor Carney signed SJR 2.

“Governor Carney, the Public Advocate and our efforts in the Legislature continue to make a strong statement against unnecessary financial burdens on Delaware ratepayers. The alternative cost proposals from PJM are a huge step in the right direction and we have to urge the Federal Energy Regulatory Commission to consider them,” said **Representative Paradee**. “As House Energy Committee chair I implored PJM to be accountable and to stop being ambivalent about the effect of this Artificial Island project. They needed to be Delaware’s advocate. We have to do our part to make sure that we are supporting our consumers and projects that impact them. I am encouraged that our collective voice and these new cost allocations will be able to positively impact Delaware in the future.”

“All along this process, I have been saying that Delaware ratepayers should not be the ones having to bear the brunt of this unfair burden,” said **Representative Hensley**. “This resolution shows that Delaware’s elected officials are standing together on this issue and that we will continue to fight against any unfair cost allocations for Delawareans.”

Governor Carney and Governor Hogan previously appealed the

cost allocation to FERC, and urged PJM to support a more equitable cost allocation.

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Related news:

[Governor Carney and Governor Hogan React to PJM's Alternative Financing Methods for Artificial Island Project](#)

[Governor John Carney and Governor Larry Hogan Respond to PJM Reevaluation of Artificial Island Cost Allocation](#)

[Governor Carney and Maryland Governor Larry Hogan Continue Fight Against Artificial Island Cost Allocation, Unfair Rate Hikes](#)

[Governor Carney's Statement on Artificial Island Project Recommendations](#)